

Executive Summary – Enforcement Matter – Case No. 50070
Hubert-Watson Subdivision Water Supply, Inc.
RN101455384
Docket No. 2015-0224-PWS-E

Order Type:

Findings Agreed Order

Findings Order Justification:

Three or more enforcement actions (NOVs, orders, etc.) over the prior five year period for the same violation(s).

Media:

PWS

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Hubert Watson Subdivision Water System, 1400 8th Street, Bay City, Matagorda County

Type of Operation:

Public water supply

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: May 22, 2015

Comments Received: No

Penalty Information

Total Penalty Assessed: \$763

Amount Deferred for Expedited Settlement: \$0

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$763

Total Due to General Revenue: \$0

Payment Plan: N/A

Supplemental Environmental Project ("SEP") Conditional Offset: \$0

Name of SEP: N/A

Compliance History Classifications:

Person/CN - N/A

Site/RN - N/A

Major Source: No

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: April 2014

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RN101455384
Docket No. 2015-0224-PWS-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: January 12, 2015 to January 23, 2015

Date(s) of NOE(s): January 23, 2015

Violation Information

1. Failed to comply with the maximum contaminant level (“MCL”) of 0.080 milligrams per liter (“mg/L”) for total trihalomethanes (“TTHM”), based on the locational running annual average [30 TEX. ADMIN. CODE § 290.115(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c)].
2. Failed to mail or directly deliver one copy of the Consumer Confidence Report (“CCR”) to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data [30 TEX. ADMIN. CODE §§ 290.271(b) and 290.274(a) and (c)].
3. Failed to provide public notification and submit a copy of the public notification to the Executive Director regarding the failure to comply with the MCL of 0.080 mg/L for TTHM based on the locational running annual average for the second quarter of 2012 [30 TEX. ADMIN. CODE § 290.122(b)(2)(A) and (f)].
4. Failed to mail consumer notification of lead tap water monitoring results to persons served at the locations that were sampled and failed to submit to the TCEQ a copy of the consumer notification and certification that the consumer notification has been distributed to the persons served at the locations in a manner consistent with TCEQ requirements [30 TEX. ADMIN. CODE § 290.117(i)(6) and (j)].
5. Failed to pay Regulatory Assessment Fees [30 TEX. ADMIN. CODE § 291.76 and TEX. WATER CODE § 5.702].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

N/A

Technical Requirements:

1. The Order will also require the Respondent to:
 - a. Within 30 days:
 - i. Mail or directly deliver one copy of the CCR prepared using the compliance monitoring data for the year 2014 or for the most current calendar year to each bill

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paying customer and make a good faith effort to deliver the CCR to non-bill paying customers;

ii. Implement improvements to the Facility's process procedures, guidance, training, and/or oversight to ensure that all necessary public notifications are provided in a timely manner to the customers of the Facility including, but not limited to, providing public notification to the Executive Director regarding the failure to comply with the MCL of 0.080 mg/L for TTHM based on the locational running annual average for the second quarter of 2012;

iii. Mail one copy of the consumer notification of lead tap water monitoring results to persons served at the locations that were sampled for the most recent monitoring period in which lead samples were collected; and

iv. Submit payment for all outstanding regulatory assessment fees for TCEQ Public Utility Account No. 12123 for the 2013 calendar year.

b. Within 45 days:

i. Submit written certification demonstrating compliance with a.i. through a.iii.;

ii. Submit to the Commission a copy of the CCR provided to customers of the Facility and the certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with the compliance monitoring data; and

iii. Submit to the Commission a copy of the consumer notification provided to the persons served at the locations that were sampled and the certification that the consumer notification has been distributed in a manner consistent with TCEQ requirements.

c. Within 60 days, submit written certification demonstrating compliance with b.ii. and b.iii.

d. Within 365 days, return to compliance with the locational running annual average MCL for TTHM.

e. Within 380 days, submit written certification demonstrating compliance with d.

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Litigation Information

Date Petition(s) Filed: N/A
Date Answer(s) Filed: N/A
SOAH Referral Date: N/A
Hearing Date(s): N/A
Settlement Date: N/A

Contact Information

TCEQ Attorney: N/A
TCEQ Enforcement Coordinator: David Carney, Enforcement Division,
Enforcement Team 5, MC 149, (512) 239-2583; Candy Garrett, Enforcement Division,
MC 219, (512) 239-1456
TCEQ SEP Coordinator: N/A
Respondent: J. Garland Watson, Manager, Hubert-Watson Subdivision Water
Supply, Inc., 2108 Bent Oak Street, College Station, Texas 77845
Respondent's Attorney: N/A



Penalty Calculation Worksheet (PCW)

TCEQ

DATES	Assigned	26-Jan-2015	PCW	19-Mar-2015	Screening	6-Feb-2015	EPA Due	31-Mar-2015
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RESPONDENT/FACILITY INFORMATION

Respondent	Hubert-Watson Subdivision Water Supply, Inc.						
Reg. Ent. Ref. No.	RN101455384						
Facility/Site Region	12-Houston			Major/Minor Source	Minor		

CASE INFORMATION

Enf./Case ID No.	50070	No. of Violations	5
Docket No.	2015-0224-PWS-E	Order Type	Findings
Media Program(s)	Public Water Supply	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	David Carney
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$50	Maximum	\$1,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$400
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	10.0%	Enhancement	Subtotals 2, 3, & 7	\$40
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Notes	Enhancement for two NOV's with same/similar violations.
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Culpability	No	0.0%	Enhancement	Subtotal 4	\$0
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Notes	The Respondent does not meet the culpability criteria.
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Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0%	Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$964	*Capped at the Total EB \$ Amount
Estimated Cost of Compliance	\$5,381	

SUM OF SUBTOTALS 1-7	Final Subtotal	\$440
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OTHER FACTORS AS JUSTICE MAY REQUIRE	73.4%	Adjustment	\$323
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes	Enhancement to capture the avoided costs of compliance associated with Violation Nos. 2, 3, and 4.
Final Penalty Amount	\$763

STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$763
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DEFERRAL	0.0%	Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes	No deferral is recommended for Findings Orders.
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PAYABLE PENALTY	\$763
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Screening Date 6-Feb-2015

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PCW

Respondent Hubert-Watson Subdivision Water Supply, Inc.

Policy Revision 4 (April 2014)

Case ID No. 50070

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101455384

Media [Statute] Public Water Supply

Enf. Coordinator David Carney

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	2	10%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 10%

>> Repeat Violator (Subtotal 3)

N/A

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

N/A

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
Notes

Enhancement for two NOVs with same/similar violations.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 10%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 10%

Screening Date 6-Feb-2015

Docket No. 2015-0224-PWS-E

PCW

Respondent Hubert-Watson Subdivision Water Supply, Inc.

Policy Revision 4 (April 2014)

Case ID No. 50070

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101455384

Media [Statute] Public Water Supply

Enf. Coordinator David Carney

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code § 290.115(f)(1) and Tex. Health & Safety Code § 341.0315(c)

Violation Description

Failed to comply with the maximum contaminant level ("MCL") of 0.080 milligrams per liter ("mg/L") for total trihalomethanes ("TTHM"), based on the locational running annual average. Specifically, the locational running annual average concentration of TTHM for Stage 2 Disinfection Byproducts at Site 1 was 0.083 mg/L for the fourth quarter of 2014.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual		X	
Potential			

Percent 15.0%

>> Programmatic Matrix

Falsification			
	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Exceeding the MCL for TTHM caused the customers of the Facility to be exposed to significant amounts of pollutants which do not exceed levels protective of human health.

Adjustment \$850

\$150

Violation Events

Number of Violation Events 1

91 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	X
	single event	

Violation Base Penalty \$150

One annual event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	X	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$150

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$637

Violation Final Penalty Total \$286

This violation Final Assessed Penalty (adjusted for limits) \$286

Economic Benefit Worksheet

Respondent Hubert-Watson Subdivision Water Supply, Inc.
Case ID No. 50070
Reg. Ent. Reference No. RN101455384
Media Public Water Supply
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)	\$5,000	12-Jan-2015	6-Nov-2016	1.82	\$30	\$606	\$637
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed costs include the estimated amount necessary to implement an alternative method of disinfection, calculated from the record review date to the estimated date of compliance.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$5,000

TOTAL

\$637

Screening Date 6-Feb-2015

Docket No. 2015-0224-PWS-E

PCW

Respondent Hubert-Watson Subdivision Water Supply, Inc.

Policy Revision 4 (April 2014)

Case ID No. 50070

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101455384

Media [Statute] Public Water Supply

Enf. Coordinator David Carney

Violation Number 2

Rule Cite(s)

30 Tex. Admin. Code §§ 290.271(b) and 290.274(a) and (c)

Violation Description

Failed to mail or directly deliver one copy of the Consumer Confidence Report ("CCR") to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data for 2011, 2012, and 2013.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 3

1095 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$150

Three single events are recommended, one for each report.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$150

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$240

Violation Final Penalty Total \$286

This violation Final Assessed Penalty (adjusted for limits) \$286

Economic Benefit Worksheet

Respondent Hubert-Watson Subdivision Water Supply, Inc.
Case ID No. 50070
Reg. Ent. Reference No. RN101455384
Media Public Water Supply
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
<small>No commas or \$</small>							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$204	1-Jul-2012	6-Feb-2015	3.52	\$36	\$204	\$240
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount to prepare and mail or directly deliver the 2011, 2012, and the 2013 CCRs to the customers of the Facility and to TCEQ $(([\$0.50 \times 36 \text{ connections}] + \$50) \times 3 \text{ years})$, calculated from the due date of the 2011 CCR to the screening date.

Approx. Cost of Compliance

\$204

TOTAL

\$240

Screening Date 6-Feb-2015

Docket No. 2015-0224-PWS-E

PCW

Respondent Hubert-Watson Subdivision Water Supply, Inc.

Policy Revision 4 (April 2014)

Case ID No. 50070

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101455384

Media [Statute] Public Water Supply

Enf. Coordinator David Carney

Violation Number 3

Rule Cite(s)

30 Tex. Admin. Code § 290.122(b)(2)(A) and (f)

Violation Description

Failed to provide public notification and submit a copy of the public notification to the Executive Director regarding the failure to comply with the MCL of 0.080 mg/L for TTHM based on the locational running annual average for the second quarter of 2012. Specifically, the public notification was due by October 7, 2012 but was not provided.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix Notes

100% percent of the rule requirement was not met.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 1

90 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$50

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

Before NOE/NOV NOE/NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$50

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$31

Violation Final Penalty Total \$95

This violation Final Assessed Penalty (adjusted for limits) \$95

Economic Benefit Worksheet

Respondent Hubert-Watson Subdivision Water Supply, Inc.
Case ID No. 50070
Reg. Ent. Reference No. RN101455384
Media Public Water Supply
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$100	12-Jan-2015	6-Nov-2015	0.82	\$4	n/a	\$4
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

The delayed cost includes the estimated amount to update the Facility's operational guidance and conduct employee training to ensure that all public notifications are provided, calculated from the record review date to the estimated date of compliance

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$25	9-Jul-2012	7-Oct-2012	1.16	\$1	\$25	\$26
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The one-time avoided cost includes the estimated amount to provide public notification regarding the failure to comply with the locational running annual average MCL for TTHM (\$25 per notice), calculated for the period when public notification was required.

Approx. Cost of Compliance

\$125

TOTAL

\$31

Screening Date 6-Feb-2015

Docket No. 2015-0224-PWS-E

PCW

Respondent Hubert-Watson Subdivision Water Supply, Inc.

Policy Revision 4 (April 2014)

Case ID No. 50070

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101455384

Media [Statute] Public Water Supply

Enf. Coordinator David Carney

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code § 290.117(i)(6) and (j)

Violation Description

Failed to mail consumer notification of lead tap water monitoring results to persons served at the locations that were sampled and failed to submit to the TCEQ a copy of the consumer notification and certification that the consumer notification has been distributed to the persons served at the locations in a manner consistent with TCEQ requirements for the June 1 through September 30, 2013 monitoring period.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Major	Harm Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 5.0%

Matrix
Notes

100% of the rule requirement was not met.

Adjustment \$950

\$50

Violation Events

Number of Violation Events 1

91 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$50

One single event is recommended.

Good Faith Efforts to Comply

0.0%

Reduction \$0

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$50

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$57

Violation Final Penalty Total \$95

This violation Final Assessed Penalty (adjusted for limits) \$95

Economic Benefit Worksheet

Respondent Hubert-Watson Subdivision Water Supply, Inc.

Case ID No. 50070

Reg. Ent. Reference No. RN101455384

Media Public Water Supply

Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$52	31-Dec-2013	6-Feb-2015	2.02	\$5	\$52	\$57
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

The avoided cost includes the estimated amount to prepare and mail the consumer notification for the June 1 through September 30, 2013 monitoring period to persons served at the locations that were sampled and to the TCEQ $(([\$0.50 \times 5 \text{ tested sites}] + \$50) \times 1 \text{ monitoring period})$, calculated from the date the consumer notification was due to the screening date.

Approx. Cost of Compliance	\$52	TOTAL	\$57
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Screening Date 6-Feb-2015

Docket No. 2015-0224-PWS-E

PCW

Respondent Hubert-Watson Subdivision Water Supply, Inc.

Policy Revision 4 (April 2014)

Case ID No. 50070

PCW Revision March 26, 2014

Reg. Ent. Reference No. RN101455384

Media [Statute] Public Water Supply

Enf. Coordinator David Carney

Violation Number 5

Rule Cite(s)

30 Tex. Admin. Code § 291.76 and Tex. Water Code § 5.702

Violation Description

Failed to pay Regulatory Assessment Fees for TCEQ Public Utility Account No. 12123 for the 2013 calendar year.

Base Penalty \$1,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Adjustment \$1,000

\$0

Violation Events

Number of Violation Events

Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$0

All penalties and interest will be determined by the Public Drinking Water Section at the next billing cycle.

Good Faith Efforts to Comply

0.0%

Reduction \$0

	Before NOE/NOV	NOE/NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes

The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$0

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$0

Violation Final Penalty Total \$0

This violation Final Assessed Penalty (adjusted for limits) \$0

Economic Benefit Worksheet

Respondent Hubert-Watson Subdivision Water Supply, Inc.
Case ID No. 50070
Reg. Ent. Reference No. RN101455384
Media Public Water Supply
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Overtime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/Construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Not applicable.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/Equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Not applicable.

Approx. Cost of Compliance

\$0

TOTAL

\$0



Compliance History Report

PUBLISHED Compliance History Report for CN600627632, RN101455384, Rating Year 2014 which includes Compliance History (CH) components from September 1, 2009, through August 31, 2014.

Customer, Respondent, or Owner/Operator:	CN600627632, Hubert-Watson Subdivision Water Supply, Inc.	Classification: NOT APPLICABLE	Rating: N/A
Regulated Entity:	RN101455384, Hubert Watson Subdivision Water System	Classification: NOT APPLICABLE	Rating: N/A
Complexity Points:	N/A	Repeat Violator:	N/A
CH Group:	14 - Other		
Location:	1400 8TH STREET, BAY CITY, TEXAS 77414-4962, MATAGORDA COUNTY		
TCEQ Region:	REGION 12 - HOUSTON		
ID Number(s):	PUBLIC WATER SYSTEM/SUPPLY REGISTRATION 1610114		

Compliance History Period:	September 01, 2009 to August 31, 2014	Rating Year:	2014	Rating Date:	09/01/2014
Date Compliance History Report Prepared:	February 06, 2015				
Agency Decision Requiring Compliance History:	Enforcement				
Component Period Selected:	February 06, 2010 to February 06, 2015				
TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.					
Name:	David Carney	Phone:	(512) 239-2583		

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? YES
- 3) If **YES** for #2, who is the current owner/operator? PERKINS, JUDITH WATSON OWNER since 8/1/2014
Hubert-Watson Subdivision Water Supply, Inc. OWNER since 10/15/2009
WATSON, J GARLAND OWNER since 8/1/2014
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? HUBERT WATSON SUBDIVISION WATER SYSTEM, OWNER, 1/1/1800 to 10/14/2009
- 5) If **YES**, when did the change(s) in owner or operator occur? 10/15/2009

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

N/A

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

N/A

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

1 Date: 10/16/2014 (1221595) CN600627632

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter H 290.271(b)
30 TAC Chapter 290, SubChapter H 290.274(a)
30 TAC Chapter 290, SubChapter H 290.274(c)
Description: CCR 2013 - The system failed to provide the Consumer Confidence Report (CCR) for 2013 to its bill-paying customers and/or the TCEQ by July 1st of the following year.

2 Date: 01/13/2015 (1221595) CN600627632
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
Description: TTHM LRAA MCL 4Q2014 - During the 4th quarter of 2014 the system violated the maximum contaminant level for trihalomethanes with a LRAA of .084 mg/L at 37A (DBP2-01).

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

Component Appendices

Appendix A

All NOVs Issued During Component Period 2/6/2010 and 2/6/2015

- 1 Date: 03/05/2013 (1221595) CN600627632
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.122(b)(2)(A)
30 TAC Chapter 290, SubChapter F 290.122(f)
Description: TTHM DBP2 MCL PN 2Q2012 Posting and Reporting Violation - Failure to submit a signed certificate of delivery to the Executive Director certifying that public notice was issued pursuant to 30 Tex. Admin. Code §290.122 during the time period that public notice was required for a violation of the maximum contaminant level for trihalomethanes during the 2nd quarter of 2012.
- 2 Date: 06/14/2013 (1221595) CN600627632
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter H 290.271(b)
30 TAC Chapter 290, SubChapter H 290.274(a)
30 TAC Chapter 290, SubChapter H 290.274(c)
Description: CCR 2011 - The system failed to provide the Consumer Confidence Report (CCR) for 2011 to its bill-paying customers and/or the TCEQ by July 1st of the following year.
- 3* Date: 11/14/2013 (1221595) CN600627632
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter H 290.271(b)
30 TAC Chapter 290, SubChapter H 290.274(a)
30 TAC Chapter 290, SubChapter H 290.274(c)
Description: CCR 2012 - The system failed to provide the Consumer Confidence Report (CCR) for 2012 to its bill-paying customers and/or the TCEQ by July 1st of the following year.
- 4 Date: 10/16/2014 (1221595) CN600627632
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter H 290.271(b)
30 TAC Chapter 290, SubChapter H 290.274(a)
30 TAC Chapter 290, SubChapter H 290.274(c)
Description: CCR 2013 - The system failed to provide the Consumer Confidence Report (CCR) for 2013 to its bill-paying customers and/or the TCEQ by July 1st of the following year.
- 5 Date: 01/13/2015 (1221595) CN600627632
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 290, SubChapter F 290.115(f)(1)
Description: TTHM LRAA MCL 4Q2014 - During the 4th quarter of 2014 the system violated the maximum contaminant level for trihalomethanes with a LRAA of .084 mg/L at 37A (DBP2-01).

* NOVs applicable for the Compliance History rating period 9/1/2009 to 8/31/2014

Appendix B

All Investigations Conducted During Component Period February 06, 2010 and February 06, 2015

- Item 1 June 09, 2011** (915231)
Item 2 August 07, 2014** (1165189)
Item 3 January 21, 2015 (1221595)
Item 4 January 23, 2015 (1221699)

* No violations documented during this investigation

**Investigation applicable for the Compliance History Rating period between 09/01/2009 and 08/31/2014.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
HUBERT-WATSON SUBDIVISION
WATER SUPPLY, INC.
RN101455384**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2015-0224-PWS-E

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Hubert-Watson Subdivision Water Supply, Inc. ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 341 and TEX. WATER CODE ch. 5. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. The Respondent owns and operates a public water supply at 1400 8th Street in Bay City, Matagorda County, Texas (the "Facility") that has approximately 36 service connections and serves at least 25 people per day for at least 60 days per year.

2. During a record review conducted from January 12 to January 23, 2015, TCEQ staff documented that the locational running annual average concentration of total trihalomethanes ("TTHM") for Stage 2 Disinfection Byproducts at Site 1 was 0.083 milligrams per liter ("mg/L") for the fourth quarter of 2014.
3. During a record review conducted from January 12 to January 23, 2015, TCEQ staff documented that the Respondent did not mail or directly deliver the Consumer Confidence Report ("CCR") to bill paying customers nor did the Respondent submit the CCR or required certification to the TCEQ for 2011, 2012, and 2013.
4. During a record review conducted from January 12 to January 23, 2015, TCEQ staff documented that the Respondent did not to provide public notification and submit a copy of the public notification to the Executive Director regarding the failure to comply with the maximum contaminant level ("MCL") of 0.080 mg/L for TTHM based on the locational running annual average for the second quarter of 2012. Specifically, the public notification was due by October 7, 2012 but was not provided.
5. During a record review conducted from January 12 to January 23, 2015, TCEQ staff documented that the Respondent did not mail the consumer notification of lead tap water monitoring results to the persons served at the locations sampled nor did the Respondent submit a copy of the consumer notification or the required certification to the TCEQ for the June 1 through September 30, 2013 monitoring period.
6. During a record review conducted from January 12 to January 23, 2015, TCEQ staff documented that the Respondent did not to pay Regulatory Assessment Fees for TCEQ Public Utility Account No. 12123 for the 2013 calendar year.
7. The Respondent received notice of the violations on January 27, 2015.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 341, TEX. WATER CODE ch. 5, and the rules of the Commission.
2. As evidenced by Findings of Fact No. 2, the Respondent failed to comply with the MCL of 0.080 mg/L for TTHM, based on the locational running annual average, in violation of 30 TEX. ADMIN. CODE § 290.115(f)(1) and TEX. HEALTH & SAFETY CODE § 341.0315(c).
3. As evidenced by Findings of Fact No. 3, the Respondent failed to mail or directly deliver one copy of the CCR to each bill paying customer by July 1 of each year and failed to submit to the TCEQ by July 1 of each year a copy of the annual CCR and certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with compliance monitoring data, in violation of 30 TEX. ADMIN. CODE §§ 290.271(b) and 290.274(a) and (c).

4. As evidenced by Findings of Fact No. 4, the Respondent failed to provide public notification and submit a copy of the public notification to the Executive Director regarding the failure to comply with the MCL of 0.080 mg/L for TTHM based on the locational running annual average for the second quarter of 2012, in violation of 30 TEX. ADMIN. CODE § 290.122(b)(2)(A) and (f).
5. As evidenced by Findings of Fact No. 5, the Respondent failed to mail consumer notification of lead tap water monitoring results to persons served at the locations that were sampled and failed to submit to the TCEQ a copy of the consumer notification and certification that the consumer notification has been distributed to the persons served at the locations in a manner consistent with TCEQ requirements, in violation of 30 TEX. ADMIN. CODE § 290.117(i)(6) and (j).
6. As evidenced by Findings of Fact No. 6, the Respondent failed to pay Regulatory Assessment Fees, in violation of 30 TEX. ADMIN. CODE § 291.76 and TEX. WATER CODE § 5.702.
7. Pursuant to TEX. HEALTH & SAFETY CODE § 341.049, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
8. An administrative penalty in the amount of Seven Hundred Sixty-Three Dollars (\$763) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. HEALTH & SAFETY CODE § 341.049(b). The Respondent has paid the Seven Hundred Sixty-Three Dollar (\$763) administrative penalty.

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Seven Hundred Sixty-Three Dollars (\$763) as set forth in Section II, Paragraph 8 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Hubert-Watson Subdivision Water Supply, Inc., Docket No. 2015-0224-PWS-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall undertake the following technical requirements:

- a. Within 30 days after the effective date of this Agreed Order:
 - i. Mail or directly deliver one copy of the CCR prepared using the compliance monitoring data for the year 2014 or for the most current calendar year to each bill paying customer and make a good faith effort to deliver the CCR to non-bill paying customers, as required by 30 TEX. ADMIN. CODE § 290.274;
 - ii. Implement improvements to the Facility's process procedures, guidance, training, and/or oversight to ensure that all necessary public notifications are provided in a timely manner to the customers of the Facility including, but not limited to, providing public notification to the Executive Director regarding the failure to comply with the MCL of 0.080 mg/L for TTHM based on the locational running annual average for the second quarter of 2012, in accordance with 30 TEX. ADMIN. CODE § 290.122;
 - iii. Mail one copy of the consumer notification of lead tap water monitoring results to persons served at the locations that were sampled for the most recent monitoring period in which lead samples were collected, as required by 30 TEX. ADMIN. CODE § 290.117; and
 - iv. Submit payment for all outstanding regulatory assessment fees for TCEQ Public Utility Account No. 12123 for the 2013 calendar year. The payment, along with the associated Revenue and Regulatory Assessment Report(s), shall be sent to:

Regulatory Assessment Coordinator
Public Drinking Water Section, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

- b. Within 45 days after the effective date of this Agreed Order:
 - i. Submit written certification as described in Ordering Provision No. 2.f. below to demonstrate compliance with Ordering Provision Nos. 2.a.i. through 2.a.iii.;

- ii. Submit to the Commission a copy of the CCR provided to customers of the Facility and the certification that the CCR has been distributed to the customers of the Facility and that the information in the CCR is correct and consistent with the compliance monitoring data, as required by 30 TEX. ADMIN. CODE § 290.274. The copy of the CCR and certification shall be mailed to:

Public Drinking Water Section
Water Supply Division, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

- iii. Submit to the Commission a copy of the consumer notification provided to the persons served at the locations that were sampled and the certification that the consumer notification has been distributed in a manner consistent with TCEQ requirements, as required by 30 TEX. ADMIN. CODE § 290.117. The sample copy of the consumer notification and the certification shall be mailed to:

Public Drinking Water Section
Water Supply Division, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

- c. Within 60 days of the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.f. below to demonstrate compliance with Ordering Provision Nos. 2.b.ii. and 2.b.iii.;
- d. Within 365 days of the effective date of this Agreed Order, return to compliance with the locational running annual average MCL for TTHM, in accordance with 30 TEX. ADMIN. CODE § 290.115;
- e. Within 380 days of the effective date of this Agreed Order, submit written certification as described in Ordering Provision No. 2.f. below to demonstrate compliance with Ordering Provision No. 2.d.; and
- f. The certifications required by these Ordering Provisions shall be accompanied by detailed supporting documentation including photographs, receipts, and/or other records, and shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the

information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Public Drinking Water Section Manager
Water Supply Division, MC 155
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.
5. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
6. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
7. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

8. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
9. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission


For the Executive Director

9/11/15
Date

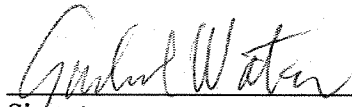
I, the undersigned, have read and understand the attached Agreed Order in the matter of Hubert-Watson Subdivision Water Supply, Inc. I am authorized to agree to the attached Agreed Order on behalf of Hubert-Watson Subdivision Water Supply, Inc., and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Hubert-Watson Subdivision Water Supply, Inc. waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

20 Sep 2015
Date

Garland Watson
Name (Printed or typed)
Authorized Representative of
Hubert-Watson Subdivision Water Supply, Inc.

mgr / 1/4 owner / Pres.
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section III, Paragraph 1 of this Agreed Order.